

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Consolidated Financial Results for the Three Months Ended May 31, 2025 [Japanese GAAP]

July 14, 2025

Company name: DD GROUP Co.,Ltd.

Listing: Tokyo Stock Exchange

Securities code: 3073

URL: <https://www.dd-grp.com/>

Representative: Atsuhisa Matsumura

Inquiries: Motoaki Saito

Telephone: +81-3-6858-6080

Scheduled date to commence dividend payments: -

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: None

President and Representative Director

Senior Managing Director, General Manager of Group's
Corporate Management Division

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Three Months Ended May 31, 2025 (March 1, 2025 to May 31, 2025)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
May 31, 2025	10,088	3.6	1,104	6.1	1,067	(1.3)	678	(10.4)
May 31, 2024	9,732	4.9	1,041	(5.7)	1,081	(0.2)	757	(25.0)

(Note) Comprehensive income: Three months ended May 31, 2025: ¥ 659 million [(18.0) %]
Three months ended May 31, 2024: ¥ 804 million [(22.4) %]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
May 31, 2025	36.34	-
May 31, 2024	39.06	-

(Note) Diluted earnings per share for the first quarter period ended May 31, 2025 is not shown in the above table, there are no residual shares having possibilities of diluting stock value.

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
May 31, 2025	31,921	9,324	27.2
February 28, 2025	31,307	8,744	25.8

(Reference) Equity: As of May 31, 2025: ¥ 8,668 million
As of February 28, 2025: ¥ 8,092 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended February 28, 2025	-	0.00	-	0.00	0.00
Fiscal year ending February 28, 2026	-				
Fiscal year ending February 28, 2026 (Forecast)		0.00	-	0.00	0.00

(Note) Revision to the forecast for dividends announced most recently: Yes

(Note) Breakdown of the 1st quarter dividend for the fiscal year ending February 28, 2026 :

Commemorative dividend - yen

Special dividend - yen

As for the status of dividend for class shares (unlisted) with different rights from those of the company's common stock, please see "Dividend Payments for class share" on page 4.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending February 28, 2026(March 1, 2025 to February 28, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending August 31, 2025	20,250	5.5	1,790	0.2	1,720	(4.6)	1,250	3.8	66.79
Full year	41,560	7.7	4,130	10.5	3,960	10.5	2,410	2.8	128.61

(Note) Revision to the financial results forecast announced most recently: None

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

Newly included: - (Company name:)

Excluded: - (Company name:)

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement

1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(4) Number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

May 31, 2025: 18,455,019 shares

February 28, 2025: 18,455,019 shares

2) Number of treasury shares at the end of the period:

May 31, 2025: 338,833 shares

February 28, 2025: 338,833 shares

3) Average number of shares outstanding during the period:

Three months ended May 31, 2025: 18,116,186 shares

Three months ended May 31, 2024: 18,103,969 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, such as the financial forecast, provided in this material are based on information currently available to DD GROUP Co., Ltd. (“Company”) and certain assumptions that the Company believes are reasonable, and are not intended as a guarantee that the Company will achieve the same. In addition, actual results, including financial performance, may significantly differ due to various factors.

Dividend Payments for class share

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended February 28, 2025	—	—	—	4,000.00	4,000.00
Fiscal year ending February 28, 2026	—				
Fiscal year ending February 28, 2026 (Forecast)		—	—	4,000.00	4,000.00

Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of February 28, 2025	As of May 31, 2025
Assets		
Current assets		
Cash and deposits	7,382	7,591
Deposits held in trust	97	118
Accounts receivable - trade	1,091	1,481
Deposits paid	275	381
Real estate for sale	766	1,003
Merchandise	36	36
Raw materials and supplies	227	233
Prepaid expenses	593	570
Accounts receivable - other	762	571
Other	77	86
Total current assets	11,311	12,076
Non-current assets		
Property, plant and equipment		
Buildings	14,813	14,476
Accumulated depreciation	(8,353)	(8,188)
Accumulated impairment	(2,477)	(2,303)
Buildings, net	3,981	3,983
Vehicles	18	18
Accumulated depreciation	(17)	(17)
Vehicles, net	1	1
Tools, furniture and fixtures	4,015	3,965
Accumulated depreciation	(3,268)	(3,165)
Accumulated impairment	(368)	(366)
Tools, furniture and fixtures, net	378	433
Land	521	521
Buildings in trust	3,667	3,667
Accumulated depreciation	(583)	(613)
Buildings in trust, net	3,083	3,053
Land in trust	1,948	1,948
Leased assets	240	240
Accumulated depreciation	(122)	(126)
Accumulated impairment	(60)	(60)
Leased assets, net	57	53
Construction in progress	123	13
Total property, plant and equipment	10,096	10,008

(Millions of yen)

	As of February 28, 2025	As of May 31, 2025
Intangible assets		
Goodwill	2,401	2,355
Trademark right	0	0
Software	31	28
Other	6	6
Total intangible assets	2,439	2,391
Investments and other assets		
Investment securities	1,424	1,390
Long-term prepaid expenses	99	98
Guarantee deposits	4,155	4,138
Deferred tax assets	1,686	1,717
Other	95	100
Total investments and other assets	7,460	7,445
Total non-current assets	19,996	19,845
Total assets	31,307	31,921
Liabilities		
Current liabilities		
Accounts payable - trade	727	870
Current portion of long-term borrowings	3,088	2,538
Accounts payable - other	643	663
Accrued expenses	1,193	1,312
Income taxes payable	50	406
Provision for shareholder benefit program	88	72
Asset retirement obligations	81	28
Other	627	708
Total current liabilities	6,500	6,601
Non-current liabilities		
Bonds payable	100	100
Long-term borrowings	13,346	13,283
Lease liabilities	49	45
Asset retirement obligations	1,727	1,729
Long-term unearned revenue	22	22
Provision for share-based payments	7	10
Deferred tax liabilities	767	762
Other	41	41
Total non-current liabilities	16,062	15,995
Total liabilities	22,562	22,597

(Millions of yen)

	As of February 28, 2025	As of May 31, 2025
Net assets		
Shareholders' equity		
Share capital	40	40
Capital surplus	4,686	4,686
Retained earnings	3,280	3,879
Treasury shares	(72)	(72)
Total shareholders' equity	7,935	8,534
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	156	134
Total accumulated other comprehensive income	156	134
Share acquisition rights	1	1
Non-controlling interests	651	655
Total net assets	8,744	9,324
Total liabilities and net assets	31,307	31,921

(2)Quarterly Consolidated Statements of Income and Comprehensive Income
(Quarterly Consolidated Statement of Income)
For the three months ended May 31, 2025

(Millions of yen)

	For the three months ended May 31, 2024	For the three months ended May 31, 2025
Net sales	9,732	10,088
Cost of sales	2,101	2,150
Gross profit	7,631	7,937
Selling, general and administrative expenses	6,589	6,833
Operating profit	1,041	1,104
Non-operating income		
Interest income	0	0
Dividend income	-	16
Receipt support money	13	9
Rental income from land and buildings	18	18
Support money	60	0
Other	22	14
Total non-operating income	113	58
Non-operating expenses		
Interest expenses	35	63
Rental expenses	16	16
Commission expenses	5	0
Share of loss of entities accounted for using equity method	12	14
Other	3	1
Total non-operating expenses	73	95
Ordinary profit	1,081	1,067
Extraordinary income		
Gain on sale of non-current assets	0	-
Gain on reversal of allowance for doubtful accounts	12	-
Total extraordinary income	12	-
Extraordinary losses		
Loss on retirement of non-current assets	0	0
Total extraordinary losses	0	0
Profit before income taxes	1,094	1,067
Income taxes	339	385
Profit	755	681
Profit (loss) attributable to non-controlling interests	(2)	3
Profit attributable to owners of parent	757	678

Quarterly Consolidated Statement of Comprehensive Income
For the three months ended May 31, 2025

(Millions of yen)

	For the three months ended May 31, 2024	For the three months ended May 31, 2025
Profit	755	681
Other comprehensive income		
Valuation difference on available-for-sale securities	49	(22)
Total other comprehensive income	49	(22)
Comprehensive income	804	659
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	806	656
Comprehensive income attributable to non-controlling interests	(2)	3